

USDA SERVICE CENTER NEWS

KINGS COUNTY FARM SERVICE AGENCY TELEPHONE (559) 585-8732 FAX (559) 584-8715

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DO YOU KNOW WHAT TO DO IF A SEVERE NATURAL DISASTER HITS YOUR FARMING ENTERPRISE?

Whether it be crops or livestock, Farm Service Agency suggests you do the following immediately after damage occurs:



- 1. Contact your Crop Insurance Agent, if insured
- 2. Contact your Agricultural Commissioner's office to report the damage
- 3. Contact the Farm Service Agency and file form CCC-576, Notice of Loss prior to destroying the crop
- 4. Take Pictures of the damage & document the event with rainfall or temperature readings

It is extremely important to inform the FSA office and Ag Commissioner when your crops/livestock are affected by severe weather. Reports after the crop is harvested may not be accepted. Although there may not be any immediate assistance available, the notice of loss to the above parties may trigger the request for such assistance.

DIRECT AND COUNTER CYCLICAL PROGRAM

Final deadline for 2006 Program is September 29, 2006 to file applications at the FSA office

Signup for the 2006 Direct and Counter Cyclical Program (DCP) ended June 1, 2006. Farms not enrolled or missing signatures by June 1, 2006 are considered late filed and will be assessed a late-filed signup fee of \$100 per farm. No signups or signatures for the 2006 year will be accepted after September 29, 2006 at the FSA office. Producers may signup online through September 30, 2006. Producers are reminded that signups are taken annually for this program. Even if you signed up in 2005, you must sign a new contract for 2006. To be eligible for payments under DCP, owners, tenants, landlords, operators and sharecroppers must: 1) Share in the risk of producing a crop on base acres on a farm enrolled in DCP; 2) annually report the use of the farm's cropland acreage; 3) comply with conservation and wetland protection requirements on all of their land: 4) comply with planting flexibility requirements; 5) use the base acres for agricultural or related activities; 6) protect all base acres from erosion, as well as providing weed control and 7) meet all other eligibility requirements.

PAYMENT LIMITATION REMINDER



Most programs administered by the Farm Service Agency are subject to payment limitation provisions. This is a reminder to please check to make sure that you are following the operating plan (CCC-502) that you submitted and which was used as a basis of approval for your farming operation. Any deviation from this plan as submitted may result in the repayment of any monies earned, as well as other potential penalties. Each year, several farming operations are randomly selected by the California State FSA Office for review. Those operations are asked to provide documentation which supports that the farm is operating as was stated in the plan submitted prior to entity approval.

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ACREAGE REPORTING

In order to receive direct and counter-cyclical payments under the current Farm Bill, all crops on all farms must be reported each year to your local FSA office. This also includes ALL fallow land, permanent crops, commodity crops, pasture, etc. If acreage reports are not made, direct and counter-cyclical payments will not be issued. The deadline for fall-seeded crops was April 30 and the deadline for spring-seeded crops was July 15. Any acreage reports filed after July 15 will be considered late filed and a fee will be charged for verification of the report. Currently, we are in the process of loading all timely filed manual acreage reports in the GIS computer system. Once completed, we will mail producers the automated version. All producers should review the acreage report for accuracy and notify this office of any changes immediately. If everything is accurate, please sign and return to this office as soon as possible. If you should have any questions, please feel free to contact us.

Final Counter-Cyclical Payment Calculations for 2005

Final 2005 counter-cyclical payment rates for wheat and oats are zero because their effective prices exceed their respective target prices. Barley is entitled to a final 2005 CC payment. The effective price for barley equals the direct payment rate, plus the higher of the national average loan rate or the national average farm price. The following table illustrates the calculation for wheat, barley & oats:

| | Wheat | Barley | Oats |
|--|--------------------|--------|--------|
| Item | Dollars Per Bushel | | |
| Target Price | 3.92 | 2.24 | 1.440 |
| National average loan rate | 2.75 | 1.85 | 1.330 |
| National average farm price | 3.42 | 1.87 | 1.630 |
| Higher of loan rate or farm price | 3.42 | 1.87 | 1.630 |
| Direct Payment rate | +0.52 | +0.24 | +0.024 |
| Effective Price | 3.94 | 2.11 | 1.654 |
| Final Counter-Cyclical Payment Rate | 0.00 | 0.13 | 0.00 |

For barley producers, both 1^{st} and 2^{nd} advances were paid for the 2005 counter-cyclical payments (if they requested). Wheat and oat producers did not receive advance payments. Final counter-cyclical payment rates for other crops are not known at this time.

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